{deleted text} shows text that was in SB0137S01 but was deleted in SB0137S03.

inserted text shows text that was not in SB0137S01 but was inserted into SB0137S03.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will not be completely accurate. Therefore, you need to read the actual bill. This automatically generated document could experience abnormalities caused by: limitations of the compare program; bad input data; the timing of the compare; and other potential causes.

**Senator Allen M. Christensen** proposes the following substitute bill:

#### MEDICAID AMENDMENTS

2011 GENERAL SESSION STATE OF UTAH

Chief Sponsor: Allen M. Christensen

House Sponso	r:
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#### **LONG TITLE**

#### **General Description:**

This bill amends the Medicaid drug program.

#### **Highlighted Provisions:**

This bill:

- amends the Medicaid drug program to remove restrictions on the preferred drug list program;
- requires the department to authorize a nonpreferred immunosuppressant and psychotropic drug when the patient is stabilized;
- requires a report from the Department of Health regarding cost savings to the
   Medicaid drug program from the use of a preferred drug list.

#### **Money Appropriated in this Bill:**

This bill appropriates:

- as an ongoing appropriation subject to future budget constraints for fiscal <del>{year</del> <del>2011-12:</del>
  - <u>Years 2012 forward, \$615,000 from the General Fund to the Department of Human Services Mental Health Services, with the exception that for fiscal year 2011-12 there is a one-time appropriation of \$105,300 from the General Fund to the Department of Human Services Mental Health Services; and</u>
- <u>as an ongoing appropriation subject to future budget constraints for fiscal years</u>
  <u>2012 forward</u>, \$200,000 from the General Fund to the Department of Health Medicaid Optional Services (subject to intent language to be spent to restore emergency dental services; and
  - \$615,000 from the General Fund} Dental Services, with the exception that for fiscal year 2011-12 there is no appropriation to the Department of {Human} Health-Medicaid Optional Services {Mental Health} Dental Services.

#### **Other Special Clauses:**

None

#### **Utah Code Sections Affected:**

AMENDS:

**26-18-2.4**, as last amended by Laws of Utah 2009, Chapter 324

*Be it enacted by the Legislature of the state of Utah:* 

Section 1. Section **26-18-2.4** is amended to read:

#### 26-18-2.4. Medicaid drug program -- Preferred drug list.

- (1) A Medicaid drug program developed by the department under Subsection 26-18-2.3 (2)(f):
- (a) shall, notwithstanding Subsection 26-18-2.3(1)(b), be based on clinical and cost-related factors which include medical necessity as determined by a provider in accordance with administrative rules established by the Drug Utilization Review Board;
- (b) may include the rapeutic categories of drugs that may be exempted from the drug program;
- (c) may include placing some drugs[, except the drugs described in Subsection (2),] on a preferred drug list to the extent determined appropriate by the department;

- (d) notwithstanding the requirements of Part 2, Drug Utilization Review Board, shall immediately implement the prior authorization requirements for a non-preferred drug that is in the same therapeutic class as a drug that is:
  - (i) on the preferred drug list on the date that this act takes effect; or
  - (ii) added to the preferred drug list after this act takes effect; and
- (e) except as prohibited by Subsections 58-17b-606(4) and (5), the prior authorization requirements established under Subsections (1)(c) and (d) shall permit a health care provider or the health care provider's agent to obtain a prior authorization override of the preferred drug list through the department's pharmacy prior authorization review process, which shall:
- (i) provide either telephone or fax approval or denial of the request within 24 hours of the receipt of a request that is submitted during normal business hours of Monday through Friday from 8 a.m. to 5 p.m.;
- (ii) provide for the dispensing of a limited supply of a requested drug as determined appropriate by the department in an emergency situation, if the request for an override is received outside of the department's normal business hours; and
- (iii) require the health care provider to provide the department with documentation of the medical need for the preferred drug list override in accordance with criteria established by the department in consultation with the Pharmacy and Therapeutics Committee.
  - $\{(2)\}$  (a) For purposes of this Subsection (2):
  - (i) "{immunosuppressive} Immunosuppressive drug":{}}
- [(i)] (A) means a drug that is used in immunosuppressive therapy to inhibit or prevent activity of the immune system to aid the body in preventing the rejection of transplanted organs and tissue; and {}}
- [(ii)] (B) does not include drugs used for the treatment of autoimmune disease or diseases that are most likely of autoimmune origin. {}}
- [(b) A preferred drug list developed under the provisions of this section may not include:(i) a psychotropic or anti-psychotic drug; or (ii) an immunosuppressive drug.]
- [(c) The state Medicaid program shall reimburse for a prescription for an immunosuppressive drug as written by the health care provider for a patient who has undergone an organ transplant. For purposes of Subsection 58-17b-606(4), and with respect to patients who have undergone an organ transplant, the prescription for a particular immunosuppressive

drug as written by a health care provider meets the criteria of demonstrating to the Department of Health a medical necessity for dispensing the prescribed immunosuppressive drug.

- [(d) Notwithstanding the requirements of Part 2, Drug Utilization Review Board, the state Medicaid drug program may not require the use of step therapy for immunosuppressive drugs without the written or oral consent of the health care provider and the patient.]
- { (2) (a) For purposes of this Subsection (2):
- † ({i} ii) "{psychotropic} Psychotropic drug" means the following classes of drugs: atypical anti-psychotic, anti-depressants, anti-convulsant/mood stabilizer, anti-anxiety, Attention Deficit Hyperactivity Disorder stimulants, or sedative/hypnotics{; and}.
- ({ii} iii) "{stabilized} Stabilized" means a health care provider has documented in the patient's medical chart that a patient has achieved a stable or steadfast medical state within the past 180 days using a particular psychotropic drug.
- (b) The department shall grant a prior authorization for a psychotropic drug or an immunosuppresive drug that is not on the preferred drug list for a patient who is stabilized on the drug.
- (c) A prior authorization granted under {this subsection} Subsection (2)(b) is valid for one year from the date the department grants the prior authorization and shall be renewed in accordance with Subsection (2)(b).
- (3) The department shall report to the Health and Human Services Interim Committee and to the Health and Human Services Appropriations Subcommittee prior to November 1, [2010] 2013, regarding the savings to the Medicaid program resulting from the use of the preferred drug list permitted by Subsection (1).

### Section 2. Appropriation.

(1) Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the following sums of money are appropriated from resources not otherwise appropriated out of the funds or accounts indicated for the fiscal year beginning July 1, 2011, and ending June 30, 2012. These are additions to amounts previously appropriated for fiscal year \{2012\}2011-12.

Item 1 To Department of Human Services - Division of Substance Abuse and Mental Health

From General Fund

<u>\$615,000</u><del>{}</del>

From General Fund, one-time

(\$509,700)

Schedule of Programs: {}

Mental Health Centers {\$615}

Item 2 To Department of Health - Medicaid Optional Services {}

From General Fund \$200,000 {}

From General Fund, one-time \$200,000)

Schedule of Programs: {}

Dental Services \$\frac{\$200,000}{\$200,000}\$-0
(2) The Legislature intends that the ongoing money appropriated for dental services in this bill be used to restore emergency dental services. {}

}